

HCS HB 766 -- HEALTH MAINTENANCE ORGANIZATIONS

SPONSOR: Jones

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Health Insurance by a vote of 9 to 3. Voted "Do Pass with HCS" by the Select Committee on Insurance by a vote of 9 to 2.

This bill specifies that a health maintenance organization (HMO) may require cost sharing of its enrollees as a condition of the receipt of health care services. Cost sharing may include co-payments, coinsurance, and deductibles.

PROPONENTS: Supporters say that the goal of the bill is to provide the market with as much choice as possible. There has been a decline in the HMO market due to the lack of a cost sharing mechanism. The bill is about expanding the market and creating more choices for consumers. When it was created 20 years ago, the HMO was a great and popular option; however, the HMO has lost a lot of consumers because it is too old of a model. The bill enhances the HMO model and makes it competitive in today's health insurance market.

Testifying for the bill were Representative Jones; Anthem, Inc. and Its Affiliates; Missouri Insurance Coalition; United Healthcare Services, Inc.; and Blue Cross and Blue Shield of Kansas City.

OPPONENTS: Those who oppose the bill say that current law allows HMO costsharing so long as it is coupled with a health savings account and the bill eliminates that limitation. The largest uncollectible debt for health care providers is insurance deductibles and the bill removes the protection of the health savings account which will likely increase the amount of uncollectible debt for health care providers.

Testifying against the bill were BJC Health Care Systems and Missouri State Medical Association.